

# FINANCIAL SERVICES

## MISSION STATEMENT

The Financial Services Department is committed to quality and excellence ensuring the financial integrity of the City and its related agencies while providing efficient courteous service.

## DESCRIPTION

The Financial Services Department is responsible for providing quantitative financial information that allows the City Council and all City departments to make informed decisions as to allocation of available resources. Through careful analysis of revenues and expenditures, the department is able to propose a balanced budget (for all funds) at the beginning of each fiscal year. Financial Services also discloses the City's financial condition and the results of its operations in the year-end Comprehensive Annual Financial Report (CAFR).

The department provides a wide range of other services, such as purchasing, accounts receivable and revenue collection, fixed asset management, payroll, accounts payable, accounting, deferred compensation, Public Employees' Retirement System (PERS) management, debt management, and managing internal audits.

## OBJECTIVES

The Financial Services Department closely adheres to the City Council's adopted Financial Policies. These include maintaining a balanced operating budget for all governmental funds, monitoring all proprietary funds to ensure that they remain self-supporting, and maintaining appropriate reserves. The department will

continue to monitor the City's financial aspects, especially in light of changing reporting requirements by the Governmental Accounting Standards Board (GASB). Financial Services staff will receive ongoing training to provide a high level of work quality and customer service.

The City and its related agencies bonded indebtedness will continue to be monitored including debt service payments, bondholder relations, arbitrage coordination, and continuing disclosure requirements.

## CHANGES FROM PRIOR YEAR

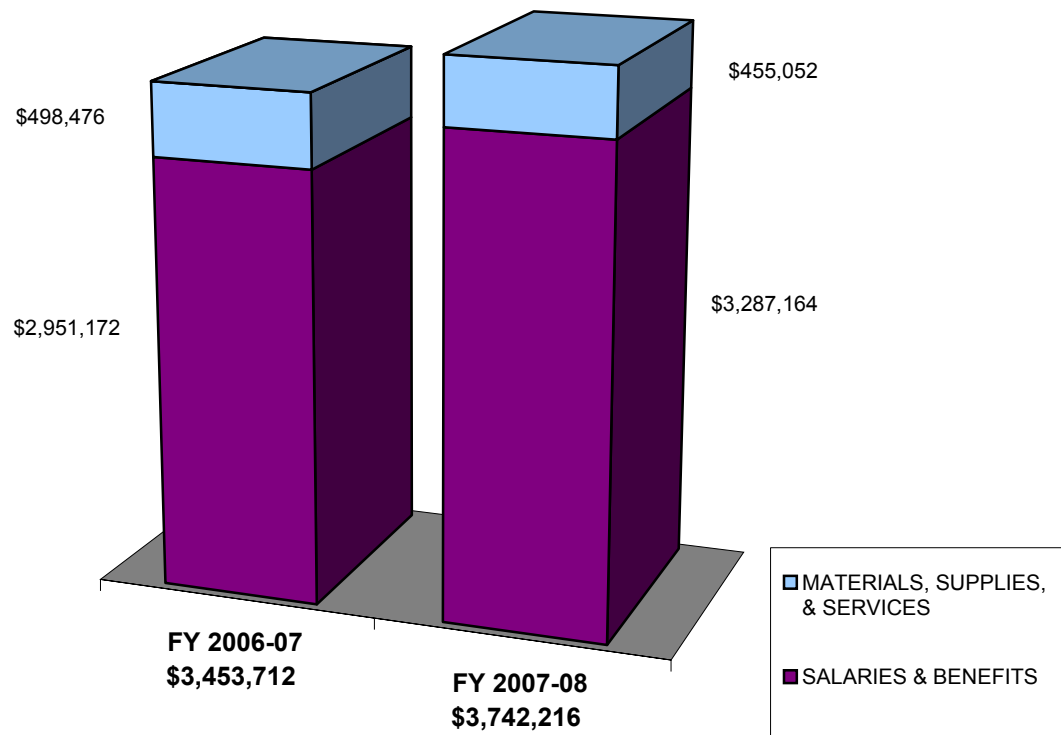
This year's staffing changes include the upgrade of three accounting positions to enhance the organizational structure of the department. The Principal Accountant, Accounting & Audit Manager, and Financial Systems Manager will replace three Senior Accountant positions. The Collection Specialist position will be upgraded to a Senior Collection Specialist as the main focus of this position will be to analyze and implement enhanced collection methods for delinquent payments thus increasing City revenues. In addition, a Grants & Revenue Manager has been added to track and coordinate all citywide grants and revenue.

## DEPARTMENT SUMMARY

	EXPENDITURES 2005-06	BUDGET 2006-07	BUDGET 2007-08	CHANGE FROM PRIOR YEAR
<b>Staff Years</b>	33.000	33.000	34.000	1.000
<b>Salaries &amp; Benefits</b>	\$ 2,654,563	\$ 2,951,172	\$ 3,287,164	\$ 335,992
<b>Materials, Supplies, Services</b>	\$ 478,656	\$ 498,476	455,052	(43,424)
<b>TOTAL</b>	<u>\$ 3,133,219</u>	<u>\$ 3,449,648</u>	<u>\$ 3,742,216</u>	<u>\$ 292,568</u>

# FINANCIAL SERVICES

## *Department Summary*



### **2006-07 WORK PROGRAM HIGHLIGHTS**

- Developed a 5-year long range financial forecast to address the current and future projected budget.
- Worked with consultant and all applicable Departments on the development of a full cost allocation plan.
- Coordinated the FY 06-07 internal audits scheduled for the Transient Occupancy Tax, Transient Parking Tax, Colony Theater, Payroll/Timekeeper review, Purchasing Procedures Review, Power Source Disclosure Program, and City Clerk Cash Control.
- Teamed with Information Technology in starting the implementation of the new Oracle Human Resources/Payroll/WOAM/Budget software project.
- Implemented GASB 45 financial reporting requirements for Other Post Employment Benefits (OPEB).
- Issued the Burbank Public Financing Authority 2007 Bonds.

### **2007-08 WORK PROGRAM GOALS**

- Continue to update the current 5-year long range financial forecast to address any future projected budget shortfalls and modify the forecast as necessary.
- Work with consultant and all applicable departments to develop and further enhance the annual cost allocation plan.
- Coordinate planned internal audits including Transient Occupancy Tax (TOT) and Transient Parking Tax (TPT) audits; Petty Cash counts; Verdugo Communications Audit; as well as others.
- Continue to team with Information Technology and HR on the implementation of the Oracle HR/Payroll/WOAM/Budget software.
- Develop enhanced revenue modeling.
- Assist with the joint agreement between BUSD and the City for financing of the High School Athletic Project Funding.
- Implement the Purchasing Review changes.
- Work with Management Services to perform a comprehensive benefits analysis.
- Implement the agreement with CalPERS for ongoing OPEB funding.

# Accounting/Administration Division

001FN01A

The Accounting/Administration Division is responsible for the development, implementation, and maintenance of effective financial accounting systems and controls. The Division provides for management control over the City's financial operations by ensuring the ability to present fairly, and with full disclosure on a timely basis, the financial position of the City. This Division is responsible for the development of long range financial planning and fiscal support functions to other City departments and other responsible agencies. Payroll, debt management, deferred compensation/PERS management, accounts payable, accounts receivable, accounting and financial reporting, as well as managing of internal audits are services found in this Division.

## OBJECTIVES

- Complete month-end closings of all Oracle systems in a timely manner.
- Complete State Controller's Reports (City and Redevelopment Agency), Street Reports, and Comprehensive Annual Financial Reports (CAFR's) within applicable deadlines.
- Issue the 6/30/07 Comprehensive Annual Financial Report (CAFR) that meets GFOA and CSMFO award program guidelines.
- Coordinate the City's Internal Audit program.
- Coordinate Annual Financial Audit with outside auditors.
- Provide initial and ongoing training for all Oracle Financial users.
- Work with all necessary departments to revise and maintain five-year cash flow analysis for Refuse, Sewer, Golf, Gas Tax, Parking Authority, Transportation funds, Redevelopment funds and selected Internal Service funds.
- Assist the Management Services Department in maintaining, implementing and providing new employee benefit programs such as universal leave and new defined contribution benefit plans.
- Assist the Information Technology department in maintaining, implementing and upgrading existing financial systems such as Oracle and a new HR/Payroll system, as well as a new Budget system.
- Maintain a compliance program for Transient Parking Tax property exemptions.
- Perform systems requirements documentation with Information Technology Department.

## CHANGES FROM PRIOR YEAR

In an effort to re-structure to provide for a more vertical organization and enhance career development, the positions of three Senior Accountants have been upgraded to a Principal Accountant, Accounting/Audit Manager, and Financial Systems Manager. These salaried positions would eliminate overtime costs associated with the upgrade project of the Oracle systems. There is also an additional upgrade of the Collections Specialist to a Senior Collections Specialist to focus on improvements to the collections of revenue for the City. The salary increase of this position would be off-set by the increasing revenues collected.

## DIVISION SUMMARY

	EXPENDITURES 2005-06	BUDGET 2006-07	BUDGET 2007-08	CHANGE FROM PRIOR YEAR
<b>Staff Years</b>	21,000	21,000	21,000	
<b>Salaries &amp; Benefits</b>	\$ 1,638,817	\$ 1,891,173	\$ 2,048,166	\$ 156,993
<b>Materials, Supplies, Services</b>	310,801	331,959	285,816	(46,143)
<b>TOTAL</b>	<b>\$ 1,949,618</b>	<b>\$ 2,223,132</b>	<b>\$ 2,333,982</b>	<b>\$ 110,850</b>

# Budget/Purchasing Division

001FN02A

The Budget Section's main function includes the development of the annual operating and capital improvement program (CIP) budgets. Accomplishing these objectives requires coordination with City departments to submit reliable revenue estimates and ensure that expenditure parameters are adhered to during the budget preparation process. The Division submits a proposed budget document for review prior to Council adoption.

Purchasing provides centralized control over the issuance of purchase orders and contracts with respect to the procurement of goods and services. The Warehouse provides support to general City departments through the purchase and distribution of various stock items.

## OBJECTIVES

- Prepare and maintain a balanced annual operating and CIP budget.
- Continue to oversee the current 5-year long range budget balancing plan to address the current and future projected budget deficit and modify the plan as necessary.
- Debt administration for all bond issues.
- Coordinate annual cost allocation plan.
- Coordinate annual update of Burbank Fee Schedule.
- Prepare annual *Budget in Brief* Document and Budget Brochure.
- Administer the City's Procurement Card Program.
- Provide ongoing training to all departments on the current purchasing procedures and Oracle purchasing module.
- Enhance interdepartmental communications and customer service through ongoing training and standard ongoing departmental meetings.
- Update the vendor application list to improve its usefulness to the overall purchasing process.
- Support Citywide purchasing needs in a timely fashion by increasing the efficiency of the Purchasing Section procedures and continued staff development.
- Effectuate change to stagger the annual price agreements to minimize the peak period workload at the beginning of each fiscal year.
- Maintain the average age of purchase requisitions to 30 days.
- Support general warehousing needs in a timely and customer-friendly manner by increasing the efficiency of the Warehouse Section procedures and continued staff development and effectiveness.

## CHANGES FROM PRIOR YEAR

The position of a Grants & Revenue Manager has been added to focus efforts on monitoring and analyzing the City's diverse revenue. In addition, this position would coordinate and monitor all citywide grants including disaster recovery for Federal Emergency Management Act (FEMA) and Office of Emergency Services (OES) grants.

## DIVISION SUMMARY

	EXPENDITURES 2005-06	BUDGET 2006-07	BUDGET 2007-08	CHANGE FROM PRIOR YEAR
<b>Staff Years</b>	12,000	12,000	13,000	1,000
<b>Salaries &amp; Benefits</b>	\$ 1,015,746	\$ 1,059,999	\$ 1,238,998	\$ 178,999
<b>Materials, Supplies, Services</b>	167,855	166,517	169,236	2,719
<b>TOTAL</b>	<u>\$ 1,183,601</u>	<u>\$ 1,226,516</u>	<u>\$ 1,408,234</u>	<u>\$ 181,718</u>

# Accounting/Administration

001FN01A

		EXPENDITURES	BUDGET	BUDGET	CHANGE FROM
		FY 2005-06	FY 2006-07	FY 2007-08	PRIOR YEAR
STAFF YEARS		21.000	21.000	21.000	
SALARIES & BENEFITS					
60001	Salaries & Wages	\$ 1,195,081	\$ 1,370,898	\$ 1,481,701	\$ 110,803
60006	Overtime	19,357	10,000	10,000	
60012	Fringe Benefits	423,444	505,787	551,977	46,190
60022	Car Allowance	935	4,488	4,488	
		<b>1,638,817</b>	<b>1,891,173</b>	<b>2,048,166</b>	<b>156,993</b>
MATERIALS, SUPPLIES, SERVICES					
DISCRETIONARY					
62085	Other Professional Services	\$ 173,156	\$ 236,755	\$ 188,802	\$ (47,953)
62170	Private Contractual Services	31,940			
62300	Special Departmental Supplies	8,854	5,400	5,400	
62310	Office Supplies	21,164	22,975	22,975	
62420	Books & Periodicals	1,343	1,000	1,000	
62440	Office Equip Maint & Repairs		765	765	
62455	Equipment Rentals	3,500	3,500	3,500	
62700	Memberships & Dues	1,245	1,080	1,080	
62710	Travel	8,095	7,760	7,760	
62755	Training	2,411	3,130	3,130	
62895	Miscellaneous	1,236	2,500	2,500	
NON-DISCRETIONARY					
62241	Other Direct Charges	3,169			
62470	F533 Office Equipment Rental	1,605	1,605	1,605	
62485	F535 Comm Equip Rental	25,901	19,016	20,826	1,810
62496	F537 Computer Equip Rental	27,182	26,473	26,473	
		<b>310,801</b>	<b>331,959</b>	<b>285,816</b>	<b>(46,143)</b>
<b>PROGRAM TOTAL</b>		<b>\$ 1,949,618</b>	<b>\$ 2,223,132</b>	<b>\$ 2,333,982</b>	<b>\$ 110,850</b>

# Budget/Purchasing

001FN02A

		EXPENDITURES	BUDGET	BUDGET	CHANGE FROM
		FY 2005-06	FY 2006-07	FY 2007-08	PRIOR YEAR
STAFF YEARS		12.000	12.000	13.000	1.000
SALARIES & BENEFITS					
60001	Salaries & Wages	\$ 751,794	\$ 773,929	\$ 894,605	\$ 120,676
60006	Overtime	2,520	500	500	
60012	Fringe Benefits	261,432	285,570	343,893	58,323
		<b>1,015,746</b>	<b>1,059,999</b>	<b>1,238,998</b>	<b>178,999</b>
MATERIALS, SUPPLIES, SERVICES					
DISCRETIONARY					
62085	Other Professional Services	\$ 59,305	\$ 70,950	\$ 71,903	\$ 953
62300	Special Departmental Supplies	4,975	6,500	6,500	
62310	Office Supplies	8,349	7,845	7,845	
62405	Uniform & Tool Allowance		862	862	
62420	Books & Periodicals	40	505	505	
62440	Office Equip Maint & Repairs		445	445	
62455	Equipment Rentals	5,595	5,388	5,388	
62700	Memberships & Dues	2,020	1,740	1,740	
62710	Travel	4,674	4,440	4,440	
62755	Training	1,262	2,350	2,350	
62895	Miscellaneous	273	400	400	
NON-DISCRETIONARY					
62220	Insurance	48,061	34,403	34,403	
62470	F533 Office Equipment Rental	647	647	647	
62475	F532 Vehicle Equipment Rental	7,492	8,843	9,997	1,154
62485	F535 Comm Equip Rental	8,780	7,172	7,784	612
62496	F537 Computer Equip Rental	16,382	14,027	14,027	
		<b>167,855</b>	<b>166,517</b>	<b>169,236</b>	<b>2,719</b>
<b>PROGRAM TOTAL</b>		<b>\$ 1,183,601</b>	<b>\$ 1,226,516</b>	<b>\$ 1,408,234</b>	<b>\$ 181,718</b>

## **FINANCIAL SERVICES**

### **AUTHORIZED POSITIONS**

CLASSIFICATION TITLES Full Time	STAFF YEARS 2005-06	STAFF YEARS 2006-07	STAFF YEARS 2007-08	CHANGE FROM PRIOR YEAR
FINANCIAL SRVCS DIR	1.000	1.000	1.000	
ASST FINC SRVCS DIR	1.000	1.000	2.000	1.000
DEPUTY FINC SRVCS DIR	1.000	1.000	0.000	-1.000
PURCHASING MGR	1.000	1.000	1.000	
BUDGET MANAGER			1.000	1.000
GRANTS & REV MANAGER			1.000	1.000
ADMINISTRATIVE OFFICER	1.000	1.000	0.000	-1.000
FISCAL OPER SUPV	1.000	1.000	1.000	
SR BUYER	1.000	1.000	1.000	
SR ADMIN ANALYST *	1.000	1.000	1.000	
BUDGET ANALYST	1.000	1.000	1.000	
BUDGET ASSISTANT	1.000	1.000	1.000	
PRINCIPAL ACCOUNTANT			1.000	1.000
ACCT/AUDIT MANAGER			1.000	1.000
FIN SYSTEMS MANAGER			1.000	1.000
SR ACCOUNTANT	4.000	4.000	1.000	-3.000
BUYER I	1.000			
BUYER II		1.000	1.000	
ACCOUNTANT	2.000	2.000	2.000	
SUPV ACCOUNT CLERK	3.000	3.000	3.000	
SR. COLLECTIONS SPECIALIST			1.000	1.000
COLLECTIONS SPECIALIST	1.000	1.000	0.000	-1.000
ADMINISTRATIVE ANALYST I *			1.000	1.000
PAYROLL TECH II	2.000	2.000	1.000	-1.000
PAYROLL TECH I	1.000	1.000	1.000	
STOREKEEPER	1.000	1.000	1.000	
ACCOUNT CLERK	4.000	4.000	4.000	
STORES HELPER	1.000	1.000	1.000	
EXECUTIVE ASSISTANT	1.000	1.000	1.000	
INTERMEDIATE CLERK	2.000	2.000	2.000	
<b>TOTAL FULL TIME</b>	<b>33.000</b>	<b>33.000</b>	<b>34.000</b>	<b>1.000</b>
<b>TOTAL STAFF YEARS</b>	<b>33.000</b>	<b>33.000</b>	<b>34.000</b>	<b>1.000</b>

\* The Administrative Analyst series was revised in May 2007 (Reso. 27,474, 27,475 & 27,476). As a result of this change, positions with Administrative Assistant titles became Administrative Analyst I, Administrative Analyst I became Administrative Analyst II and Administrative Analyst II became Senior Administrative Analyst. These changes did not cause any adjustments in salaries or benefits.

**(This Page Left Intentionally Blank)**

